Maintenance of Effort (MOE) and Excess Cost

KANSAS STATE DEPARTMENT OF EDUCATION
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Kansas leads the world in the success of each student.

MOE and Excess Cost

Maintenance of Effort

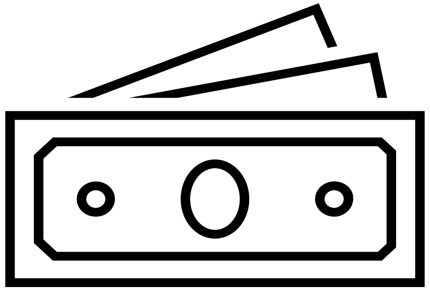
MOE ensures that federal special education funds supplement rather than supplant (replace) the state and local funding that students with disabilities rely upon

Excess Cost

Excess Cost ensures LEAs do not use federal LEA funds to cover general costs of educating a student with a disability

Maintenance of Effort

Why Is It Required?



MOE is required to ensure that LEAs do not replace state/local funding with federal funds.

What Does It Mean?

LEA MOE means that each year for the education of children with disabilities, an LEA:

Budgets at least as much as it expended in the most recent year it met MOE. (Eligibility)

Expends at least as much as it expended in the most recent year it met MOE. (Compliance)

2 Standards, 4 Tests

Standards

1. Compliance
2. Eligibility

Tests

1. State and Local Effort
2. Per Pupil State and Local Effort
3. Local Effort
4. Per Pupil Local Effort

Maintenance of Effort & Excess Cost

State and Local Maintenance of Effort

D001 Example Ed. Serv. Coop. | School Year: 2025 - 2026 | Coop/Interlocal

Description	Last Year Compliance Met	Last Compliance Year Actual	2024-2025 Actual (Compliance)	2025-2026 Budgeted (Eligibility)
Test #1: STATE AND LOCAL EFFORT	2023 - 2024	$1,458,000	$1,333,000	$1,989,000
Adjusted MOE Level by Exceptions		$1,308,000		
MOE Compliance		Yes		
MOE Eligibility		Yes		
Test #2: PER PUPIL STATE AND LOCAL EFFORT	2023 - 2024	$7,634	$6,871	$10,253
Adjusted MOE Level by Exceptions		$6,848		
MOE Compliance		Yes		
MOE Eligibility		Yes		
12/1 Special Education Child Count		191	194	194
Total State Aid Less Gifted and Infant Toddler FTE (calculated by KSDE)	2023 - 2024	$900,000	$1,000,000	$1,100,000
Test #3: LOCAL EFFORT	2023 - 2024	$558,000	$333,000	$889,000
Adjusted MOE Level by Exceptions		408,000		
MOE Compliance		No		
MOE Eligibility		Yes		
Test #4: PER PUPIL LOCAL EFFORT	2023 - 2024	$2,921	$1,716	$4,582
Adjusted MOE Level by Exceptions		$2,136		
MOE Compliance		No		
MOE Eligibility		Yes		
12/1 Special Education Child Count		191	194	194
Exceptionally Costly Program Exception Threshold 34 CFR 300.204(c)			$40,000	

Data Source

Kansas Grants Reporting System (KGRS)

- Posted Budgets
  - Code 30/Code 78
- LEA entered data
  - Cooperative/Interlocals
    - Member district reports roll up to LEA reports

School Finance Reports

This section contains links to reports pertaining to School Finance in Kansas.

- Financial Accountability
- Budget Documents
  - USD Budgets
  - Interlocal Budgets
- Comparative Performance and Fiscal System (CPFS)
- CPA Reports
- School Finance Reports Warehouse

KGRS - Gifted Expenditures

Gifted Expenditures - LEA entered data

Accounting Codes (Use whole Dollar Amounts)	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted
Professional Salaries	$54,000	$56,000	$53,000
Paraeducator Salaries	$0	$0	$0
Administrative Salaries	$0	$0	$0
Employee Benefits	$16,000	$17,000	$16,000
Instructional Materials & Equipment from Code 30-Interlocal and districts or Code 78-Cooperative	$0	$0	$0
Transportation from Code 30-Interlocal and districts or Code 78-Cooperative	$0	$0	$0
TOTALS for Year	$70,000	$73,000	$69,000

Continue

KGRS - Special Education Expenditures

Special Education Expenditures - LEA budgets, LEA entered data

Accounting Codes (Use whole Dollar Amount)	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted
Coop/Interlocal Special Ed Fund Expenditures Code 30 or 78; Line 175	$2,000,000	$2,500,000	$2,550,000
Interlocal Only: Professional development expenses reported in Code 26. (Include only expenditures for special education. Service Centers should include only if the special ed staff for which expenditures were made are directly hired by the service center.)	$0	$0	$0
District Special Education expenditures from district worksheets line 1e Member district budgets: Code 30 Line 175 less Lines 250-251	$10,000	$11,000	$11,000
Special Education audit corrections adjusted upward from CPA audit if not already included in budget	$0	$0	
Special Education audit corrections adjusted downward from CPA audit if not already included in budget	$0	$0	
Subtotal coop/interlocal special education expenditures	$2,010,000	$2,511,000	$2,561,000

Continue

KGRS - Special Education Revenue and Adjustments

Special Education Revenue and Adjustments - LEA budgets, LEA entered data

Accounting Codes (Use whole Dollar Amounts)	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted
All federal funds utilized to support Special Education. Code 30/78 Lines 50-65	$480,000	$600,000	$500,000
Coop/interlocal enters all federal funds received, but not expended until the following year (VI-B Code 30/78, Line 55; Other Code 30/78, Line 65)	$0	$0	$0
Federal funds received in prior year, but expended in the following year.	$0	$0	$0
Total Federal Funds expended	$480,000	$600,000	$500,000
Gifted Expenditures from Cooperative/Interlocal and/or District Gifted Expenditure Reports Coop/Interlocal Gifted + Member District Gifted (LEA entered data)	$72,000	$75,000	$72,000
All Part C Expenditures if reported in Code 30 or 78	$0	$0	$0
Accounting Codes (Use whole Dollar Amounts)	**2023-2024 Actual**	**2024-2025 Actual**	**2025-2026 Budgeted**
Total State Aid Minus Gifted and Infant Toddler. KSDE Calculation	$900,000	$1,000,000	$1,100,000

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MOE Calculation Test 1 and 2

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Maintenance of Effort & Excess Cost

State and Local Maintenance of Effort

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D001 Example Ed. Serv. Coop. | School Year: 2025 - 2026 | Coop/Interlocal

Description	Last Year Compliance Met	Last Compliance Year Actual	2024-2025 Actual (Compliance)	2025-2026 Budgeted (Eligibility)
Test #1: STATE AND LOCAL EFFORT	2023 - 2024	$1,458,000	$1,333,000	$1,989,000
Adjusted MOE Level by Exceptions		$1,308,000		
MOE Compliance		Yes		
MOE Eligibility		Yes		
Test #2: PER PUPIL STATE AND LOCAL EFFORT	2023 - 2024	$7,634	$6,871	$10,253
Adjusted MOE Level by Exceptions		$6,848		
MOE Compliance		Yes		
MOE Eligibility		Yes		
12/1 Special Education Child Count		191	194	194
Total State Aid Less Gifted and Infant Toddler FTE (calculated by KSDE)	2023 - 2024	$900,000	$1,000,000	$1,100,000

	Actual 2023-2024	Actual 2024-2025	Budgeted 2025-2026
Coop Budget - Code 30/78, Line 175	$ 2,000,000	$ 2,000,000	$ 2,550,000
Plus district expenditures	$ 10,000	$ 8,000	$ 11,000
Plus - Interlocals Only: Professional development expenses reported in Code 26	$ -	$ -	$ -
Special Education audit corrections adjusted **upward** from CPA audit if not already included in budget	$ -	$ -	$ -
Special Education audit corrections adjusted **downward** from CPA audit if not already included in budget	$ -	$ -	$ -
Less Gifted	$ 72,000	$ 75,000	$ 72,000
Less Federal Funds	$ 480,000	$ 600,000	$ 500,000
Less All Part C Expenditures if reported in Code 30 or 78	$ -	$ -	$ -
Subtotal	$ 1,458,000	$ 1,333,000	$ 1,989,000
MOE Adjusted by Exceptions	$ 150,000		
Test 1: State & Local Effort	**$ 1,308,000**	**$ 1,333,000**	**$ 1,989,000**
Divide by 12/1 Special Education child count	191	194	194
Subtotal	$7,634		
MOE Adjusted by Exceptions	$ 150,000		
Test 2: Per Pupil State & Local effort	**$ 6,848**	**$ 6,871**	**$ 10,253**

MOE Calculation Test 3 and 4

Total State Aid Less Gifted and Infant Toddler FTE (calculated by KSDE)	2023 - 2024	$900,000	$1,000,000	$1,100,000
Test #3: LOCAL EFFORT	2023 - 2024	$558,000	$333,000	$889,000
Adjusted MOE Level by Exceptions		408,000		
MOE Compliance		No		
MOE Eligibility		Yes		
Test #4: PER PUPIL LOCAL EFFORT	2023 - 2024	$2,921	$1,716	$4,582
Adjusted MOE Level by Exceptions		$2,136		
MOE Compliance		No		
MOE Eligibility		Yes		
12/1 Special Education Child Count		191	194	194
Exceptionally Costly Program Exception Threshold 34 CFR 300.204(c)			$40,000	

Coop Budget - Code 30/78, Line 175	$ 2,000,000	$ 2,000,000	$ 2,550,000
Plus district expenditures	$ 10,000	$ 8,000	$ 11,000
Plus - Interlocals Only: Professional development expenses reported in Code 26	$ -	$ -	$ -
Special Education audit corrections adjusted **upward** from CPA audit if not already included in budget	$ -	$ -	$ -
Special Education audit corrections adjusted **downward** from CPA audit if not already included in budget	$ -	$ -	$ -
Less Gifted	$ 72,000	$ 75,000	$ 72,000
Less Federal Funds	$ 480,000	$ 600,000	$ 500,000
Less All Part C Expenditures if reported in Code 30 or 78	$ -	$ -	$ -
Less Total State Aid Minus Gifted and Infant Toddler	$ 900,000	$ 1,000,000	$ 1,100,000
Subtotal	$ 558,000	$ 333,000	$ 889,000
MOE Adjusted by Exceptions	$ 150,000		
Test 3: Local Effort	**$ 408,000**	**$ 333,000**	**$ 889,000**
Divide by 12/1 Special Education child count	191	194	194
Subtotal	**$ 2,921**	**$ 1,716**	**$ 4,582**
MOE Adjusted by Exceptions	$ 150,000		
Test 4: Per Pupil Local effort	**$ 2,136**	**$ 1,716**	**$ 4,582**

Allowable Exceptions

Exceptions

- Allowable exceptions may be used to reduce MOE obligation
  - Costs that occur in one year that do not occur in the next
- Exceptions change the threshold to meet MOE, they do not change actual expenditures
- Multiple exceptions may be applied as long as they correspond to the reporting year

Entering Exceptions into KGRS

50% Reduction Rule and Allowable Exceptions - LEA entered data

Accounting Codes (Use whole Dollar Amount)	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted
Available 50% MOE Reduction Rule based on % of increase in federal funds.	$0	$0	$0
Allowable Exceptions (Per 34 C.F.R. 300.204) Requires Prior Approval by KSDE SES Team	$20,000	$150,000	$0

Continue

Uploaded Files

File Name	Title	Uploaded On
23-24 MOE Exceptions Reported in 2025-2026	MOE Exceptions Worksheet Updated	Jan 28 2026 11:43 AM

Four
~~Five~~ Exceptions

(a) Voluntary departure

(b) Decrease in the enrollment of children with disabilities

(c) Termination of exceptionally costly program

(d) Termination of costly expenditures for long-term purchases

~~(e) The assumption of cost by the high-cost fund operated by the SEA under §300.704(c)~~ Kansas uses state categorical aid

Voluntary Departure - 34 CFR §300.204

- Allowable
  - Retirement
  - Resignation
  - Transfer from SPED to non-SPED
  - Just cause departure
- Not Allowable
  - Reduction in force
  - Restructuring transfers
  - Reduction in FTE
  - Contracted services
    - Staff must be an employee of the LEA
  - Do <u>not</u> include Gifted staff

Reporting Voluntary Departures

				2025-2026 Reporting Year				
Voluntary departure of staff (2023-2024)						Replacement (if applicable) (2024-2025)		
Name	Position	Total Annual Salary & Benefits	Reason for Voluntary Departure	Final Day of Employment		Name	Total Annual Salary & Benefits	First Day of Employment
Stevie Nicks	Paraprofessional	$10,000	Resignation	*11/15/2023*		N/A		
Tom Petty	Speech Language Pathologist	$35,000	Resignation	12/30/2023		N/A		
Neil Diamond	Paraprofessional	$16,000	Transferred to Gen Ed	1/5/2024		Phil Collins	$15,000	2/5/2025
Whitney Houston	SPED Teacher	$63,000	Retirement	5/30/2024		Mariah Carey	$51,000	8/1/2024
					Total Exception		$58,000	

If no replacements, mark N/A or other notation

If replacement is a higher cost than departure, remove entire line. Higher costs do not count against exceptions.

Decrease in SPED Enrollment

- 34 CFR §300.204
- Enrollment is included in the MOE report and in the MOE calculation
- Decreased enrollment is not a separate reported exception in KGRS

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Termination of Exceptionally Costly Program

- 34 CFR §300.204
- Exceptionally costly program is greater than four times the LEA average special education expenditure per pupil from the prior year
  - Must meet threshold to claim as an exception
- Termination of the program
  - Student left the LEA, or
    - Moved, graduated
  - Reached the age at with the obligation of the agency to provide FAPE to the child has terminated, or
  - No longer needs special education services (not a reduction in services)

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Exceptionally Costly Program Exception Threshold 34 CFR 300.204(c)			$40,000	

Reporting Costly Programs

Termination of an Exceptionally Costly Student Program (2023-2024)			
KIDS #	Program Exit Date	Reason for Exiting Program	Total Annual Special Education Program Cost
1234567891	*5/31/2024*	Graduated	$42,000
		Total Exception	**$42,000**

Each student must meet LEA threshold – include all costs (transportation, teachers, paras, nurses, etc.).

Report only the last year of services. Do not roll up multiple year costs.

Do not include student names or other personal identifiable information on uploads to KGRS.

Termination of Costly Expenditures for Long-Term Purchases

- 34 CFR §300.204
- The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities
  - Single item with cost of $5,000 or more
  - Useful life of at least one year
- Upload source documentation in KGRS

Termination of a Long-Term Purchase (2023-2024)		
Description	**Purchase Date**	**Total Cost** *(amount paid in final year if purchased in installments)*
Passenger Van	10/20/2023	*$50,000*
Total Exception		**$50,000**

Reduction

Adjustment/Reduction

- 34 CFR §300.205
- "…for any fiscal year for which the allocation received by an LEA under §300.705 exceeds the amount the LEA received for the previous fiscal year, the LEA may reduce the level of expenditures otherwise required by §300.203(a) by not more than 50 percent of the amount of that excess…."
- Amount eligible to reduce is calculated by KSDE annually

Kansas SFY 2026 Federal IDEA VI-B Allocations Chart

Revised August 13, 2025

LEA	USD	District/ Agency Name	3-21 Total Allocation	3-21 Private School Proportionate Share	3-21 General Allocation	3-5 Total Allocation	3-5 Private School Proportionate Share	3-5 General Allocation	15% Coordinated/ Comprehensive Early Intervening Services ***	50% MOE Reduction ****
D0717	D0115	Nemaha Central	$332,788	$18,043	$314,745	$8,472	$434	$8,038	$51,189	$0
D0202	D0202	USD202 Turner-Kansas City	$974,102	$2,244	$971,858	$28,382	$0	$28,382	$150,373	$0
D0203	D0203	Piper	$607,751	$0	$607,751	$14,641	$0	$14,641	$93,359	NA
D0207	D0207	Ft. Leavenworth	$302,384	$0	$302,384	$17,092	$0	$17,092	$47,921	$0
D0229	D0229	USD229 Blue Valley	$4,082,997	$183,919	$3,899,078	$85,625	$3,191	$82,434	$625,293	$0
D0230	D0230	USD230 Spring Hill	$996,519	$0	$996,519	$17,838	$0	$17,838	$152,154	$23,945
D0231	D0231	USD231 Gardner Edgerton	$1,097,829	$2,266	$1,095,563	$24,769	$168	$24,601	$168,390	$5,938
D0232	D0232	USD232 De Soto	$1,378,926	$23,101	$1,355,825	$22,563	$0	$22,563	$210,223	$0
D0233	D0233	USD233 Olathe	$5,928,161	$51,915	$5,876,246	$161,628	$1,070	$160,558	$913,468	$0
D0234	D0234	USD234 Fort Scott	$415,917	$19,911	$396,006	$17,012	$396	$16,616	$64,939	$0
D0701	D0244	Coffey County Coop Prog for Sp Svcs	$389,122	$0	$389,122	$14,237	$0	$14,237	$60,504	$1,635
D0706	D0253	Flint Hills Sp Ed Coop	$1,660,073	$26,799	$1,633,274	$34,538	$1,006	$33,532	$254,192	$0
D0259	D0259	USD259 Wichita	$12,537,951	$173,777	$12,364,174	$286,782	$2,950	$283,832	$1,923,710	$0
D0260	D0260	USD260 Derby	$1,659,502	$41,582	$1,617,920	$30,009	$1,200	$28,809	$253,427	$16,370
D0261	D0261	USD261 Haysville	$1,240,738	$10,896	$1,229,842	$42,153	$0	$42,153	$192,434	$0
D0727	D0262	Ark Valley Cooperative	$790,542	$0	$790,542	$13,787	$0	$13,787	$120,649	$5,013
D0263	D0263	USD263 Mulvane	$351,420	$0	$351,420	$13,460	$0	$13,460	$54,732	$0
D0728	D0265	Goddard Cooperative	$1,857,097	$86,495	$1,770,602	$34,638	$1,604	$33,034	$283,760	$8,564
D0729	D0266	Maize Coopertative	$2,011,333	$73,160	$1,938,173	$40,828	$2,029	$38,799	$307,824	$4,688
D0700	D0273	Beloit Sp Ed Coop	$568,810	$34,980	$533,830	$19,882	$1,446	$18,436	$88,304	$0
D0710	D0282	West Elk	$570,468	$0	$570,468	$27,850	$0	$27,850	$89,748	$126,668
D0290	D0290	USD290 Ottawa	$531,581	$4,369	$527,212	$19,792	$0	$19,792	$82,706	$0
D0723	D0305	Central KS Coop in Ed	$3,614,221	$134,803	$3,479,418	$114,777	$2,311	$112,466	$559,350	$20,666
D0308	D0308	USD308 Hutchinson	$1,198,689	$26,578	$1,172,111	$70,283	$725	$69,558	$190,346	$3,043
D0724	D0320	Special Svcs Coop of Wamego	$749,257	$9,327	$739,930	$24,945	$402	$24,543	$116,130	$356
D0321	D0321	USD321 Kaw Valley	$249,606	$41,911	$207,695	$12,403	$0	$12,403	$39,301	$0
D0330	D0330	USD330 Mission Valley	$114,104	$0	$114,104	$8,027	$0	$8,027	$18,320	$561
D0704	D0333	Learning Coop of N Central KS	$711,768	$0	$711,768	$46,065	$0	$46,065	$113,675	$5,663
D0709	D0336	Holton Sp Ed Coop	$882,166	$0	$882,166	$35,875	$0	$35,875	$137,706	$0
D0345	D0345	USD345 Seaman	$818,333	$0	$818,333	$24,838	$0	$24,838	$126,476	$0
D0353	D0353	USD353 Wellington	$406,908	$17,049	$389,859	$19,578	$687	$18,891	$63,973	$0
D0716	D0364	Marshall Co Sp Ed Coop	$321,737	$16,249	$305,488	$10,775	$1,293	$9,482	$49,877	$0
D0720	D0368	E Central KS Sp Ed Coop Paola	$1,877,338	$18,720	$1,858,618	$59,669	$4,397	$55,272	$290,551	$0
D0372	D0372	USD372 Silver Lake	$148,742	$0	$148,742	$7,735	$0	$7,735	$23,472	$1,658
D0718	D0373	Harvey Co Sp Ed Coop	$1,155,684	$1,505	$1,154,179	$38,010	$0	$38,010	$179,054	$0
D0702	D0379	Twin Lakes Ed Coop	$677,934	$18,727	$659,207	$30,913	$0	$30,913	$106,327	$0
D0383	D0383	USD383 Manhattan-Ogden	$1,592,656	$53,814	$1,538,842	$44,523	$1,120	$43,403	$245,577	$13,797
D0389	D0389	Eureka	$176,886	$0	$176,886	$7,183	$0	$7,183	$27,610	$0
D0714	D0405	Rice Co Sp Ed Coop	$436,378	$0	$436,378	$25,477	$0	$25,477	$69,278	$0
D0409	D0409	USD409 Atchison	$501,326	$40,648	$460,678	$23,355	$2,525	$20,830	$78,702	$0
D0715	D0418	McPherson Co Sp Ed Coop	$1,125,848	$27,129	$1,098,719	$31,114	$314	$30,800	$173,544	$0

Entering Reductions into KGRS

50% Reduction Rule and Allowable Exceptions - LEA entered data

Accounting Codes (Use whole Dollar Amount)	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted
Available 50% MOE Reduction Rule based on % of increase in federal funds.	$0	$0	$0
Allowable Exceptions (Per 34 C.F.R. 300.204) Requires Prior Approval by KSDE SES Team	$20,000	$150,000	$0

Continue

Uploaded Files

File Name	Title	Uploaded On
23-24 MOE Exceptions Reported in 2025-2026	MOE Exceptions Worksheet Updated	Jan 28 2026 11:43 AM

Conditions for Using Adjustment

The LEA must:

- Use the freed-up local (or state and local) funds to carry out
  ESSA activities during the SFY in which the adjustment takes place.
- Receive a determination of "meets requirements" from the KSDE for the SFY of the adjustment.
- Not have had action taken against it by the KSDE under IDEA Section 616.
- Not have had the responsibility for providing FAPE taken away by the KSDE.
- Not be determined to have significant disproportionality for the SFY of the adjustment.

Consequences of MOE Failure

If MOE is Not Met

- State must repay federal government the amount by which LEA failed to maintain effort (34 CFR §300.203(d)). LEA will be required to repay the state.
- Payback must be made from nonfederal funds or federal funds for which accountability to federal government is not required (GEPA 20 U.S.C. 1234a(a)(1) and (a)(2) and 1234(a)(1)).
- MOE threshold does not reset.
- Eligibility: An LEA is not eligible to receive an IDEA subgrant if it does not budget at least as much as expended in the most recent year it met MOE.

Common Errors

- Budget changes not prepopulating in KGRS
  - Tell us about budget amendments
- Double reporting
  - Expenditures reported by member districts and LEA
- Exception amount entered into KGRS does not match uploaded documentation

Best Practices

- Collaborate with your team
- Use the KSDE IDEA MOE Tracker
- Review reports prior to submitting
  - Cooperatives & Interlocals – Review member district reports
- Start early, ask for help if needed

Excess Cost

KANSAS STATE DEPARTMENT OF EDUCATION
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Kansas leads the world in the success of each student.

Excess Cost Report

- IDEA funds may only be used to pay the excess costs of providing special education and related services for children with disabilities.
- The Excess Cost Report calculates the minimum amount of state and local funds that an LEA must expend for the education of students with disabilities before accessing VI-B funds.
  - Excess cost is computed separately for elementary and secondary students

34 CFR 300.16; 34 CFR 300.202(a)(2)

Excess Cost Data Source

Kansas Grants Reporting System (KGRS)

- Posted Budgets
  - Most codes –
    - 06, 08, 11, 13, 14 , 15, 16, 18, 24, 26, 29, 30, 34, 35, 42, 51, 53, 55, 56, 62, 63, 66, 67, 78
- LEA entered data
  - Cooperative/Interlocals
    - Member district reports roll up to LEA reports

- Budget amount and transfers are prepopulated
- Enter secondary expenditure amounts
- Elementary amount is the remaining amount
  - Elementary = K-8
  - Secondary = 9-12

Excess Cost - State and Local

	Budget Amount	Transfers	Remaining	Secondary Expenditures
General (Code 06, line 175)	$30,096,936	$13,422,300	$16,674,636	$5,000
Supplemental General (Code 08, line 175)	$9,206,952	$4,031,695	$5,175,257	$150,000
At Risk (4yr Old) (Code 11, line 175)	$399,742	$0	$399,742	$99,000
At Risk (Code 13, line 175)	$6,902,163	$0	$6,902,163	$3,000
Bilingual (Code 14, line 175 less lines 35, 40)	$723,034	$0	$723,034	$53,000
Virtual School (Code 15, line 175)	$53,550	$0	$53,550	$20,000
Capital Outlay (Code 16, line 175)	$11,496,113	$0	$11,496,113	$2,000
Driver Training (Code 18, line 175)	$0	$0	$0	$0
Food Service (Code 24, line 175)	$702,654	$0	$702,654	$1,000
Prof. Development (Code 26, line 175)	$71,442	$0	$71,442	$30,000
Summer School (Code 29, line 175)	$0	$0	$0	$0
Special Education (Code 30, line 175 less lines 55, 60, 65)	$5,434,353	$0	$5,434,353	$4,000
Vocational Education (Code 34, line 175 less lines 115, 125, 130)	$714,712	$0	$714,712	$100,000
Gifts and Grants (Code 35, line 175)	$156,703	$0	$156,703	$50,000
Spec. Liability Expense (Code 42, line 175)	$0	$0	$0	$0
KPERS Sp. Retirement (Code 51, line 175)	$4,266,734	$0	$4,266,734	$1,000,000
Contingency Reserve (Code 53, line 175)	$0	$0	$0	$0

Excess Cost - Federal Funds

	Budget Amount	Secondary Expenditures
Federal, Total (Code 07, line 175)	$1,879,061	$800
Bilingual, Bilingual Aid (Code 14, line 35,)	$0	$0
Bilingual, Other Federal Aid (Code 14, line 40)	$0	$0
Food Service, Child Nutrition Programs (Code 24, line 75)	$1,277,362	$500,000
Special Education, Aid Regular (Code 30, line 55)	$905,114	$200,000
Special Education, Medicaid (Code 30, line 60)	$513,857	$113,000
Special Education, Other Reserve Grants in Aid (Code 30, line 65)	$0	$0
Vocational, Regular Aid (Code 34, lines 115,)	$0	$0
Vocational, Special Project Aid (Code 34, line 125)	$54,000	$30,000
Vocational, Other Federal Aid (Code 34, line 130)	$0	$0
Total Federal Funds	$4,629,394	$843,800

	Secondary Expenditures	Amount from Draw
IDEA, Part B as Requested from Form 240	$500,000	$905,114
Title I Draws as Requested from Form 240	$200,000	$1,266,756
Title III Draws as requested from Form 240	$30,000	$94,770

Continue

Excess Cost Calculation

[Appendix A to Part 300—Excess Costs Calculation]

- Total expenditures from all sources – local, state, federal
- Less capital outlay and debt
- Less IDEA VI-B, Title I Part A, Title III Part A and B, state and local funds for children with disabilities, sate and local funds for programs under ESEA, Title I Part A, Title III Part A and B
- Divide subtotal by average number of students enrolled (9/20 count)
- Average annual expenditures x number of children with disabilities (12/1 count)
- = Total minimum amount of funds the LEA must spend for the education of children with disabilities enrolled in the LEA's elementary schools before using Part B funds

Excess Cost Report Met/Not Met

If <u>this </u>value:
(Prior Year's December 1st count * Average Annual Expenditure per LEA Student) + State and Local Special Education funds

Is greater than <u>this </u>value:
Prior Year's December 1st count * *Average Annual Expenditure per LEA Student from LAST YEAR*

…then the Result is MET, and if it isn't, then the Result is NOT MET.

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Maintenance of Effort & Excess Cost

Excess Cost Worksheet

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D001 Example Co. Ed. Serv. Coop. | School Year: 2025 - 2026 | Coop/Interlocal

Category	Description	Secondary Amount	Elementary Amount
Excess Cost Worksheet Final Report - LEA	Total State & Local Expenditures	$7,590,000	$14,607,000
	Total Federal Funds Expenditures	$306,000	$708,000
	Total Expenditures from all Sources	$7,897,000	$15,315,000
	Capital Outlay	$332,000	$1,162,000
	Debt Services	$0	$1,561,000
	Total Capital Outlay & Debt Services	$332,000	$2,723,000
	Total Expenditures less Capital Outlay & Debt Services	$7,564,000	$12,592,000
Deduct prior year's Special Education Expenditures	IDEA, Part B	$111,000	$249,000
	ESEA Title I, Part A	$0	$0
	ESEA Title III, Parts A & B	$0	$0
	State and Local Special Education funds	$190,000	$1,960,000
	State and Local Funds for Programs under ESEA Title I, Part A and ESEA Title III, Parts A & B	$0	$3,000
	Total Special Education Deductions	$302,000	$2,212,000
	Total Expenditures less Special Education Expenditures	$7,262,000	$10,379,000
Prior Year's School Enrollments	Prior Year's September 20th count	400	900
	Prior Year's December 1st count	20	200
Current Year's Excess Cost Results	Average Annual Expenditure per LEA Student	$17,000	$11,000
	Minimum amount LEA must spend in the current year for the education of elementary students with disabilities before using IDEA Part B funds	$421,000	$1,958,000
Result		Met	Met

Consequences of Excess Cost Failure

If Excess Cost is Not Met

- State must repay federal government "an amount that is proportionate to the extent of the harm its violation caused to an identifiable federal interest associated with the program under which it received the grant or cooperative agreement."
- LEA will be required to repay the state.
- Payback must be made from nonfederal funds or federal funds for which accountability to federal government is not required (GEPA 20 U.S.C. 1234a(a)(1) and (a)(2) and 1234(a)(1)).

Excess Cost Common Errors

- Budget changes not prepopulating in KGRS
  - Tell us about budget amendments
- Prorating expenditures
  - NOTE: The United States Department of Education had issued specific guidance that proration should only be applied to expenditures that cannot be itemized by grade level, such as shared utility costs within a single building that serves both secondary and elementary school students.

Excess Cost Best Practices

- Collaborate with your team
- Have a LEA written procedure for completing Excess Cost
- Use building level expenditure reports to separate secondary expenditures from elementary expenditures
- Break out each line item to identify secondary specific expenditures
- Review reports prior to submitting
  - Cooperatives & Interlocals – Review member district reports
- Start early, ask for help if needed

Resources

Resources

- KSDE Data Central - Budget Documents
- KSDE Data Central – CPA Reports
- IDEA MOE Tracker (Excel)
- Understanding Maintenance of Effort (PDF)
- Excess Cost and MOE Instructions (PDF)
- KGRS User Guide: Maintenance of Effort and Excess Costs (PDF)

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